

## Message Text

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ACTION H-02

INFO OCT-01 ARA-06 ISO-00 EB-07 /016 W  
----- 029675

R 062100Z JUL 76

FM AMEMBASSY SANTO DOMINGO  
TO SECSTATE WASHDC 7522

LIMITED OFFICIAL USE SANTO DOMINGO 3252

E.O. 11652: N/A

TAGS: ACMM, BENC, DR

SUBJECT: CONGRESSIONAL INQUIRY ON FOREIGN GOVERNMENT TENDER

REF: SANTO DOMINGO 2154

CODEL STENNIS

1. AMBASSADOR HAS RECEIVED FOLLOWING MESSAGE FROM SENATOR  
STENNIS ON WESTERN UNION TELEGRAM FORM BUT TRANSMITTED IN  
ENVELOPE OF SENATOR STENNIS' FRANKING.

QUOTE

JUNE 21, 1976

HONORABLE ROBERT A. HURWITCH  
UNITED STATES AMBASSADOR TO THE DOMINICAN REPUBLIC  
SANTO DOMINGO, DOMINICAN REPUBLIC

PRICE BROTHERS COMPANY OF HATTIESBURG, MISSISSIPPI, HAS  
FILED ITS BID FOR DOMINICAN REPUBLIC WATER LINE PROJECT TO BE  
FUNDED BY INTERNATIONAL (SIC) DEVELOPMENT BANK WITH COMPANY  
FURNISHING APPROXIMATELY SIX MILLION DOLLARS QUANTITY OF PIPE. AM  
ADVISED PRICE COMPANY APPARENTLY LOW BIDDER BUT ANOTHER COMPANY  
NOT LOW BIDDER AND NOT LOCAL PRODUCER SEEKING TO QUALIFY UNDER  
SPECIAL LOCAL LAW GRANTING CONCESSION TO LOCAL PRODUCERS. URGE  
YOUR INTERVENTION TO MAKE CERTAIN PRICE BROTHERS IS FAIRLY AND  
EQUITABLY TREATED ACCORDING TO PROVISIONS OF LOCAL LAW.

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PLEASE ADVISE. REGARDS, JOHN C. STENNIS, UNITED STATES SENATOR.

UNQUOTE

2. TENDER IN QUESTION, REPORTED BY REFTTEL, IS FOR PRE-STRESSED CONCRETE PIPE FOR WATER SYSTEM OF SANTO DOMINGO. BIDDING WAS AS FOLLOWS: PRICE BROTHERS--\$6,187,736; GIFFORD HILL AMERICAN--\$6,472,183.36; HIDRAULICA DEL CARIBE (ASSOCIATED WITH US FIRM LOCK JOINT PIPE)--\$6,640,583.28.

3. ALTHOUGH HIDRAULICA DEL CARIBE WAS THE HIGHEST BIDDER OF THE THREE, IT IS ASKING FOR THE CONTRACT UNDER A DOMINICAN INDUSTRIAL INCENTIVE LAW WHICH ALLOWS LOCAL FIRMS A 15 PERCENT ADVANTAGE ON LOCALLY-PRODUCED PRODUCTS.

4. WHEN EMBASSY COMMERCIAL ATTACHE RAISED MATTER WITH THE DIRECTOR OF THE STATE-OWNED WATER COMPANY, THE LATTER SAID PRICE BROTHERS WAS STILL IN THE RUNNING FOR THE CONTRACT, AND WAS FAVORED BY SOME ELEMENTS. THE COMMITTEE REVIEWING THE BIDS, HOWEVER, IS STILL STUDYING ALL PROPOSALS WHICH WILL LATER BE SUBMITTED ON A RANKED LIST TO THE IDB FOR APPROVAL.

5. ALL THREE BIDDERS ARE US FIRMS (ALTHOUGH ONE IS IN A JOINT VENTURE WITH A DOMINICAN FIRM), AND FROM WHAT THE EMBASSY HAS BEEN ABLE TO DETERMINE, ALL THREE SEEM TO BE TREATED EQUITABLY IN ACCORDANCE WITH DOMINICAN LAW AND IDB REGULATIONS.

6. ACTION REQUESTED: DEPARTMENT REQUESTED TO TRANSMIT FOREGOING, IF IT HAS NO OBJECTION, TO SENATOR STENNIS.  
HURWITZ

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Enclosure:** n/a  
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**Original Classification:** LIMITED OFFICIAL USE  
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**Review Action:** RELEASED, APPROVED  
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**TAGS:** ACMM, BENC, DR  
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